

TRANSPARES LIMITED

19TH ANNUAL REPORT 2013-2014

Board of Directors

Mr. Hitendra Doshi (DIN No.: 00062570) : Managing Director
Mrs. Karuna Mamtara (DIN No.: 00253549) : Director
Mrs. Aakanksha Mamtara (DIN No.: 01006590) : Director
Mr. Sureshchandra Agarwal (DIN No.: 00889931) : Director

Bankers

Axis Bank Ltd.
CBB Branch,
Ahmedabad

Auditors

Deloitte Haskins & Sells
Chartered Accountants,
Ahmedabad

Registered Office/ Plant

14/15, Ashwamegh Industrial Estate, Sarkhej Bavla Highway,
Changodar, Taluka- Sanand, Dist. Ahmedabad-382213, Gujarat

CIN No.: U31102GJ1995PLC024841

NOTICE

NOTICE is hereby given that 19th Annual General Meeting of the Members of Transpares Limited, will be held on Monday, 8th day of September, 2014, at 10.00 a.m. at the Registered office of the Company to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit & Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend if any, for the year ended on 31st March, 2014.
3. To appoint a director in place of Mrs. Karuna Mamtora (DIN No. 00253549), who retires by rotation and, being eligible, offers herself for re-appointment.
4. To re-appoint auditors of the Company to hold office from the conclusion of the this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution thereof.

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the Board of Directors, M/s. Deloitte Haskins & Sells, Ahmedabad, (Firm Registration No. 117365W) be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of the this Annual General Meeting to the conclusion of the next Annual General Meeting and that the Board of Directors be and are hereby authorised to fix such remuneration as may be determined in consultation with the auditors, and that such remuneration as may be agreed upon between the auditors and the Board of Directors."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

To increase the borrowing power u/s. 180(1) (c) of the Companies Act, 2013

"RESOLVED THAT in supersession of the earlier resolution passed in this behalf by the members in their Extra Ordinary General Meeting of the Company held on 3rd November, 2008, and pursuant to the provisions of the Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors ("hereinafter referred to as "the Board" which term shall include any committee constituted by the Board or any person(s) authorised by the Board to exercise the power conferred on the Board by this resolution) of the Company, to borrow any sum or sums of money from time to time, with or without security and upon such terms & conditions as they may think fit, notwithstanding that the moneys, to be borrowed by the Company (apart from the temporary loans obtained from the Company's bankers and other financial institutions in the ordinary course of the business) may exceed the aggregate of paid up share capital and free reserves provided however, that the total amount so borrowed by the Company shall not exceed a sum of Rs. 30 Crores (Rupees Thirty Crores only) outstanding at one time excluding the interest thereon."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as may be necessary to give effect to the foregoing resolution for and on behalf of the Company."

6. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

To Mortgage, Hypothecate and/or Charge all or any of the movable and immovable properties u/s. 180(1)(a) of the Companies Act, 2013

"RESOLVED THAT in supersession of the earlier resolution passed in this behalf by the members in their Extra-Ordinary General Meeting of the Company held on 3rd November, 2008 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) to create such charges, mortgages and

hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit in favour of Banks/Financial Institutions, other investing agencies and holders of other instruments to secure rupee / foreign currency loans (hereinafter collectively referred to as "Loans") provided that the total amount of loans and facilities together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, shall not, at any time exceed the limit of Rs. 30 Crores (Rupees Thirty Crores Only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

Date: 22nd April, 2014


Place: Ahmedabad

On behalf of Board of Directors

Registered Office

14-15, Ashwamegh Industrial Estate,
Changodar, Ta. Sanand,
Ahmedabad

CIN No.: U31102GJ1995PLC024841



Hitendra Doshi
Chairman & Managing Director
(DIN No. 00062570)

Notes

- Explanatory statement pursuant to section 102 of the Companies act, 2013, setting out material facts and reasons for the proposed Special Business are appended herein.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must reach the registered office of the Company not less than 48 hours before the time fixed for the meeting.

EXPLANATORY STATEMENT

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5 & 6

As per the provision of Section 180(1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the permission of the members, borrow monies in excess of the aggregate of the paid-up share capital of the Company and its free reserves.

As per the resolution passed by the Shareholders of the Company in the Extra Ordinary General Meeting of the Company held on 3rd November, 2008, the Board of Directors of the Company were authorised to borrow money and to create charge/ mortgage/ hypothecation upto a limit not exceeding Rs. 25 Crores (Rupees Twenty Five Crores Only). The increasing business operations and future growth plans of the Company would necessitate enhancing of the borrowing limits. A resolution for enhancing the limits is proposed, by authorizing the Board of Directors to borrow further funds amounting, in aggregate to a sum of not more than Rs. 30 Crores (Rupees Thirty Crores Only).

The borrowings of the Company are, in general, required to be secured by suitable mortgage/ charge/hypothecation on all or any other movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by Board of Directors of the Company, from time to time, in consultation with the lender(s), hence it is necessary to pass a resolution under Section 180(1)(a) of the Companies Act, 2013, for creation of charges/ mortgages/hypothecations on Company's assets for an amount not exceeding the limit of Rs. 30 Crores (Rupees Thirty Crores Only).

Your Directors recommend the resolution no. 5 & 6 to be passed as a Special Resolution.

None of the Directors or their relatives are interested in resolution no. 5 & 6 of the accompanying notice.

Date: 22nd April, 2014

Place: Ahmedabad

Regd. Office

14/15, Ashwamegh Industrial Estate,
Sarkhej Bavla Highway, Changodar,
Ta. Sanand, Ahmedabad

CIN No.: U31102GJ1995PLC024841

By order of the Board


Hitendra Doshi

Chairman & Managing Director
(DIN No. 00062570)

DIRECTORS' REPORT

To,
The Members
Transpares Limited
Ahmedabad

Your Directors have pleasure in presenting the 19th Annual Report along with the Audited Accounts of the Company for the year ended on 31st March, 2014.

Financial Highlights

		(Rs in Lacs)	
Financial Results		2013-2014	2012-2013
Net Revenue form Operation		1627.75	1562.88
Other Income		13.15	6.39
Total Revenue		1640.9	1569.27
Cost of Raw Material Consumed		1093.73	964.23
(Increase)/Decrease in Inventories of Finished Goods and Process Stock		-40.18	32.3
Employee Benefit Expense		94.76	80.06
Finance Cost		66.22	60.73
Depreciation & Amortization		53.91	46.36
Other Expenses		295.6	231.06
Total Expenses		1564.04	1414.74
Profit/(Loss) before tax		76.87	154.52
Tax Expenses		18.06	53.52
Profit/(Loss) after tax		58.81	101.00

Results of Operation

During the Financial year 2013-14, Company achieved total Revenue of Rs.1640.90 Lacs as against Rs. 1569.27 Lacs last year. The Company posted the performance with Profit before Tax of Rs. 76.87 Lacs as against Rs. 154.52 Lacs last year. The Net Profit after Tax at stood at Rs. 58.81 Lacs as against Rs.101.00 Lacs for the financial year 2012-2013.

Dividend

Your Directors are pleased to recommend Dividend of 10% i.e. Re. 1/- per Equity Shares of Rs. 10/- each subject to approval of Shareholders at 19th Annual General Meeting. Against this, the Company has declared and paid 10% dividend in the financial year 2012-13.

Directors

Mrs. Karuna Mamtara (DIN No. 00253549), Director of the Company who retires by rotation at the ensuing Annual General meeting and being eligible, offers herself for re-appointment, in accordance with the provisions of the Articles of Association of the company. Your Board comprises of Mr. Hitendra Doshi, Mrs. Karuna Mamtara, Mrs. Aakanksha Mamtara and Mr. Sureshchandra Agarwal as directors of the Company.

Change in legislation governing Companies in India

During the year under review, the provisions of the new Companies Act have been made effective replacing the Companies Act of 1956 vintage by the induction of the Companies Act, 2013. The Government has notified 287 sections out of total 470 sections which cover all the material provisions of the new Companies Act, 2013. However, as clarified by the Ministry of Corporate Affairs, the provisions of Companies Act, 1956 would remain applicable in respect of financial accounts, auditor's report and directors' report thereon for the financial year ended on 31st March, 2014.

Fixed Deposits

The Company has neither invited nor accepted / renewed any deposits from the Public within the meaning of section 58A of the Companies Act, 1956 during the year under review.

Directors' Responsibility Statement

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement your Directors confirms that:

- a) In preparation of annual accounts for the year ended 31st March, 2014, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts for the year ended 31st March, 2014 on going concern basis.

Particulars required to be furnished by the Companies (Disclosure of particulars in the report of the Board of Directors) Rule, 1988.

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to conservation of energy, technology absorption and foreign exchange earnings and expenditure are forming part of the Director's Report.

Particulars regarding Employees

Particulars of employees under section 217 (2A) of the Companies Act 1956 and the rules framed there under is not applicable this year, as there were no employees drawing the remuneration of Rs. 60 Lacs or more, paid in respect of persons employed throughout the financial year or to whom remuneration of Rs.5 Lacs or more per month, paid in respect of persons employed for part of the financial year.

Secretarial Compliance Certificate

In accordance with Section 383A of the Companies Act, 1956, and Companies (Compliance Certificate) Rule, 2001, the Company has obtained a certificate from Mr. Tapan Shah, Practising Company Secretary confirming that the Company has complied with various provisions of the Companies Act, 1956 and copy of such certificate is annexed to this Report.

Auditors

M/s. Deloitte Haskins & Sells., Chartered Accountants, Ahmedabad, the auditors of the Company, hold their office until the conclusion of the ensuing Annual General Meeting, and are recommended for reappointment. The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limits under section 139 of the Companies Act, 2013. You are requested to reappoint auditors to hold office until the conclusion of the next Annual General Meeting and to fix their remuneration.

Auditors' Report

Notes forming part of the accounts are self explanatory as far as Auditor's Report is concerned and therefore, it does not require any further comments.

Acknowledgement

The Directors extend their sincere thanks to the Bankers, Central Government and State Government Authorities, Customers, its parent Company Transformers & Rectifiers (India) Limited, Staff members and all other associated with the Company, for their co-operation, continued support and confidence reposed by them in the Company.

Date: 22nd April, 2014
Place : Ahmedabad

For and on behalf of the Board of Directors



Hitendra Doshi
Chairman & Managing Director
(DIN No. 00062570)

ANNEXURE TO THE DIRECTOR'S REPORT

Information as per Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended on 31st March, 2014

(1) Conservation of Energy:-

(a) Energy conservation measures taken:

The Company has an ongoing study to identify and implement energy saving system to reduce energy consumption and cost of production. All new Equipment & Machinery is installed based upon optimum utilization of energy.

b) Additional investment and proposals, if any being implemented for reduction of energy consumption of energy: Nil.

c) Impact of measure at (a) & (b) above for reduction of energy consumption and consequent impact on the production of goods: Nil.

d) Total energy consumption and energy consumption per unit are as follows:

Particulars	2013-2014	2012-2013
Total Consumptions (in Units)	653820	632451
Total Cost (in Rs.)	5,127,149	4,851,892
Cost per Unit (in Rs.)	7.84	7.67

(2) Research & Development and Technology absorption:-

During the year, no further development is done for research. The company has not taken any technology in particular or entered into any technology agreement during the period hence the information required under this is not applicable to the company.

(3) Foreign Exchange Earnings & Outgo:-

The Company has neither earned nor spends any foreign currency, during the year as well as in last year.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TRANSPARES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TRANSPARES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).

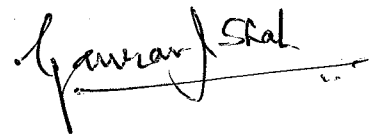


Deloitte Haskins & Sells

Deloitte Haskins & Sells
Chartered Accountants
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Fax: +91 (079) 27582551

- (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)



Gaurav J. Shah
Partner
(Membership No. 35701)

22nd
AHMEDABAD, April, 2014

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/result, clauses (xiii) and (xiv) of the Order are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.



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- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
- (b) In our opinion and according to the explanations given to us, the transactions made in pursuance of contracts of arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at the prices which are reasonable having regards to prevailing market price at the relevant time.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (viii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (x) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (c) There were no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2014 on account of disputes.
- (xi) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
- (xiii) According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not obtained any term loans during the year.



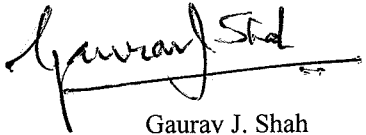
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- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long- term investment.
- (xvii) The Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xviii) No debentures have been issued by the Company and hence the question of creating the securities or charges in respect thereof does not arise.
- (xix) The Company has not raised any monies by way of public issues during the year.
- (xx) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)



Gaurav J. Shah
Partner
(Membership No. 35701)

AHMEDABAD, 22nd April, 2014

Transpares Limited
Balance Sheet as at 31st March, 2014

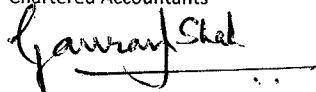
Particulars	Note	As at 31st Mar 2014	As at 31st Mar 2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	1,93,68,000	1,93,68,000
(b) Reserves & Surplus	3	7,36,75,303	7,00,60,557
		9,30,43,303	8,94,28,557
(2) Non-current liabilities			
(a) Deferred tax liabilities	4	60,66,546	60,82,973
(b) Long-term provisions	5	4,03,314	3,94,828
		64,69,860	64,77,801
(3) Current liabilities			
(a) Short-term borrowings	6	3,59,47,151	3,55,56,381
(b) Trade payables	7	4,73,74,587	4,85,33,524
(c) Other current liabilities	8	16,00,543	35,31,548
(d) Short-term provisions	9	24,21,074	4,59,256
		8,73,43,355	8,80,80,709
TOTAL		18,68,56,518	18,39,87,067
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets	10		
(i) Tangible assets		7,03,83,960	6,88,49,222
(ii) Intangible assets		-	-
(iii) Capital work in-progress		-	-
		7,03,83,960	6,88,49,222
(b) Non-current investments	11	11,25,000	11,25,000
(c) Long-term loans and advances	12	1,28,36,014	1,07,68,361
		8,43,44,974	8,07,42,583
(2) Current assets			
(a) Inventories	13	1,60,48,173	1,13,87,337
(b) Trade receivables	14	8,54,71,867	9,12,79,576
(c) Cash and Cash equivalents	15	1,52,690	1,08,866
(d) Short-term loans and advances	16	6,58,814	4,68,705
(d) Other Current Assets	17	1,80,000	-
		10,25,11,544	10,32,44,484
TOTAL		18,68,56,518	18,39,87,067

Summary of significant accounting policies

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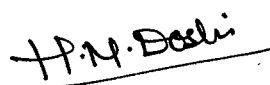
The accompanying notes are an integral part of the Financial Statement.

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

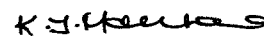


Gaurav J. Shah
Partner

For and on behalf of the Board



Hitendra M. Doshi
Chairman & M.D.



Karuna J. Mamtara
Director

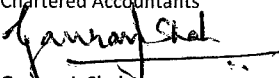
Place: Ahmedabad
Date : 22nd April, 2014

Place: Ahmedabad
Date : 22nd April, 2014


Transpares Limited
Statement of Profit and loss for the year ended 31st March, 2014

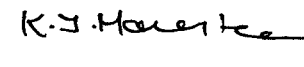
Particulars	Note	For the Year Ended on 31st Mar 2014	For the Year Ended on 31st Mar 2013
Income			
Sale of Goods (Gross)		18,16,02,396	17,51,86,443
Service Income (Gross)		1,58,665	79,644
Other Operating Income		8,35,993	4,34,705
		18,25,97,054	17,57,00,792
Less : Cenvat Duty recovered on Sales & Service income		1,88,27,036	1,88,98,048
Revenue from operations (Net)		16,37,70,018	15,68,02,744
Other income	18	3,19,884	1,24,435
Total Revenue (I)		16,40,89,902	15,69,27,179
Expenses:			
Cost of Raw Materials Consumed	19	10,93,72,640	9,64,23,466
(Increase)/Decrease in Stock of Finished Goods and Process Stock	20	(40,18,320)	32,29,776
Employee benefits expense	21	94,75,736	80,06,217
Depreciation and amortization	10	53,90,660	46,36,126
Finance costs	22	66,22,299	60,73,489
Other expenses	23	2,95,60,288	2,31,06,136
Total expenses (II)		15,64,03,303	14,14,75,210
Profit before exceptional and extraordinary items and tax (I-II)		76,86,599	1,54,51,969
Exceptional items		-	-
Profit before extraordinary items and tax		76,86,599	1,54,51,969
Extraordinary Items		-	-
Profit before tax		76,86,599	1,54,51,969
Tax expenses:			
(1) Current tax		18,25,000	32,10,000
Less: MAT Credit Entitlement		-	(3,77,606)
(2) Deferred tax		(16,427)	24,52,016
(3) Short/(Excess) Prov of Eariler tax		(2,681)	67,590
		18,05,892	53,52,000
Profit/(Loss) for the year		58,80,707	1,00,99,969
Earning per equity share:			
(1) Basic		3.04	5.21
(2) Diluted		3.04	5.21

Summary of significant accounting policies 1
The accompanying notes are an integral part of the Financial Statement.

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Gaurav J. Shah
Partner

For and on behalf of the Board


Hitendra M. Doshi
Chairman & M.D.


Karuna J. Mamtara
Director

Place : Ahmedabad
Date : 22nd April, 2014

Place : Ahmedabad
Date : 22nd April, 2014

Transpares Limited
Cash Flow Statement for the year ended 31st March, 2014

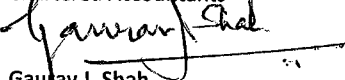
		Year ended 31st March, 2014	Year ended 31st March, 2013
[A]	Cashflow From Operating Activities		
	Net Profit before Tax	7,686,599	15,451,969
	Adjustments for:		
	[i] Depreciation and Amortisation	5,390,660	4,636,126
	[ii] Interest Expenses	6,622,299	6,073,489
	[iii] Interest Income	(87,634)	(51,599)
	[iv] Dividend Income	(196,250)	(15,000)
	[v] (Profit)/Loss on Sales of Assets	-	185,697
		11,729,075	10,828,713
	Operating Profit Before Working Capital Changes	19,415,674	26,280,682
	Adjustments for Working Capital changes:		
	[i] Trade & Other Receivables	3,365,597	(15,971,388)
	[ii] Trade & Other payables	(1,119,639)	5,957,479
	[iii] (Increase) / decrease in in Inventories	(4,660,836)	303,046
		(2,414,878)	(9,710,863)
	Cash Generated From Operations	17,000,796	16,569,819
	Less: Direct Taxes Paid	1,817,969	3,501,593
	Net Cash generated From Operating Activities [A]	15,182,827	13,068,226
[B]	Cashflow From Investing Activities		
	Purchase of Fixed Assets	(6,925,398)	(5,376,563)
	Sale of Fixed Assets	-	501,304
	Interest Received	87,634	51,599
	Dividend Received	196,250	15,000
	Net Cash Used in Investing Activities [B]	(6,641,514)	(4,808,660)
[C]	Cashflow From Financing Activities		
	Proceeds from Borrowings (Net)	390,771	102,767
	Interest Paid	(6,622,299)	(6,101,175)
	Government Grant Received (TUF Scheme)	-	-
	Dividends Paid (incl. tax thereon)	(2,265,961)	(2,250,996)
	Net Cash Used in Financing Activities [C]	(8,497,489)	(8,249,404)
	Net Incr./(Decr.) In Cash & Cash Equivalents [A+B+C]	43,824	10,162
	Cash & Cash Equivalents at the beginning of the year	108,866	98,704
	Cash & Cash Equivalents at the end of the year	152,690	108,866

Note :

		Year ended 31st March, 2014	Year ended 31st March, 2013
1	Components of Cash & Cash Equivalents		
	Cash on hand	53,229	7,741
	Balances with banks		
	In Current Accounts	99,461	101,125
	In Margin Money	-	-
		152,690	108,866

2. The above cashflow statement has been prepared under the "Indirect Method" as set out in the Accounting Statndard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants


Gaurav J. Shah
Partner

Place : Ahmedabad
Date : 22nd April, 2014

For and on behalf of the Board of Directors

 
Hitendra M. Doshi **Karuna J. Mamtara**

Place : Ahmedabad
Date : 22nd April, 2014

Transpares Limited
Notes to Financial Statements for the year ended 31st Mar,2014

2 SHARE CAPITAL

	As at 31st Mar 2014	As at 31st Mar 2013
Authorised Shares		
2,000,000 Equity Shares of Rs. 10/- each	20,000,000	20,000,000
	<u>20,000,000</u>	<u>20,000,000</u>
Issued, Subscribed and Fully Paid Up		
1,936,800 (Previous Year 1,936,800) Equity Shares of Rs. 10/- each fully paid up	19,368,000	19,368,000
Total	<u>19,368,000</u>	<u>19,368,000</u>

Notes

Of the above shares :

(i) Reconciliation of the number of Shares Outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
At the Beginning of the Year	1,936,800	1,936,800
Issued during the Year	-	-
Outstanding at the end of Year	1,936,800	1,936,800

(ii) Details of shareholders holding more than 5 percent of Equity Shares

Particulars		As at 31st Mar 2014	As at 31st Mar 2013
Hitendra M. Doshi	Nos.	948,132	948,132
	% Holding	48.95%	48.95%
Transformers & Rectifiers (I) Ltd.	Nos.	987,768	987,768
	% Holding	51%	51%

(iii) Details of Shares allotted as fully paid up by way of Bonus Shares, shares issued for consideration other than Cash (During Last 5 Years immediately Preceding Reporting date)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
Equity shares allotted as fully paid bonus shares by Capitalisation of Surplus in Profit & Loss Account and General Reserves on 05 Dec.,2009	860,800	860,800

(iv) Rights of Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per shares held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining asset of the Company after distribution of all preferential amount, in proportion to their shareholding.

3. RESERVES AND SURPLUS

	As at 31st Mar 2014	As at 31st Mar 2013
General Reserve		
As per last balance sheet	7,523,275	7,523,275
Add : Amount transferred from Profit and Loss Account	-	-
	<u>7,523,275</u>	<u>7,523,275</u>
Surplus/(Deficit) in Statement of Profit and Loss		
As per last balance sheet	62,537,282	54,688,309
Net Profit for the year	5,880,707	10,099,969
Less: Appropriations		
Proposed Final Equity Dividend (Rs. 1/- Per Share)	1,936,800	-
Interim Equity Dividend (Rs. 1/- Per Share)	-	1,936,800
Tax on Dividend	329,161	314,196
Transfer to General Reserve	-	-
Net surplus in Statement of Profit and Loss	<u>66,152,028</u>	<u>62,537,282</u>
Total	<u>73,675,303</u>	<u>70,060,557</u>



4. DEFERRED TAX LIABILITIES (NET)

	As at 31st Mar 2014	As at 31st Mar 2013
Deferred Taxes Liability		
In respect of difference between book & tax WDV	81,24,905	79,54,078
Deferred Taxes Asset		
In respect of disallowance under the Income Tax Act.	(20,58,359)	(18,71,105)
Total	<u>60,66,546</u>	<u>60,82,973</u>

5. LONG TERM PROVISIONS

	As at 31st Mar 2014	As at 31st Mar 2013
Provision for employee benefits		
Gratuity	1,39,189	1,00,321
Compensated Absences	2,64,125	2,94,507
Total	<u>4,03,314</u>	<u>3,94,828</u>

6. SHORT TERM BORROWINGS

	As at 31st Mar 2014	As at 31st Mar 2013
Secured		
Cash Credit From Bank	3,59,47,151	3,55,56,381
Total	<u>3,59,47,151</u>	<u>3,55,56,381</u>

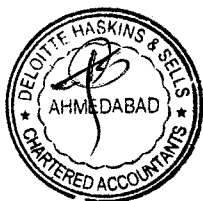
Secured by the hypothecation of entire Current Assets of the Company. Collaterally Secured by equitable mortgage over factory land and building of the Company and hypothecation of all plant & machinery (other than those acquired out of the term loan). Further secured by personal guarantee of some Directors and corporate guarantee given by the Holding Company.

7. TRADE PAYABLES

	As at 31st Mar 2014	As at 31st Mar 2013
Sundry Creditors :		
a) Micro & Small Enterprises	-	-
b) Others	4,73,74,587	4,85,33,524
Total	<u>4,73,74,587</u>	<u>4,85,33,524</u>

8. OTHER CURRENT LIABILITIES

	As at 31st Mar 2014	As at 31st Mar 2013
Current maturities of long term debts	-	15,60,000
Interest accrued and due on borrowings	-	16,562
Interest accrued but not due on borrowings	-	3,08,595
Other Liabilities	16,00,543	16,46,391
Total	<u>16,00,543</u>	<u>35,31,548</u>



9. SHORT TERM PROVISIONS

	As at 31st Mar 2014	As at 31st Mar 2013
(a) Provision for Employee Benefits :		
Compensated Absences	14,096	14,479
Gratuity	1,41,017	1,30,581
(b) Provision others :		
Proposed Equity Dividend	19,36,800	-
Tax on Proposed Equity Dividend	3,29,161	-
Tax on Interim Equity Dividend	-	3,14,196
Total	24,21,074	4,59,256

11. NON CURRENT INVESTMENTS

	As at 31st Mar 2014	As at 31st Mar 2013
Non Trade Investments		
Investment in Equity instruments (At Cost) (Unquoted)		
1,250 shares of The Bhagyodaya Co-operative Bank Ltd. (Face Value Face value Rs 100 each, Fully Paid up	1,25,000	1,25,000
Investment in Mutual Funds (At Cost)		
100,000 SBI Blue Chip Fund of Rs.10/- each	10,00,000	10,00,000
Total	11,25,000	11,25,000
Unquoted investments Cost price	1,25,000	1,25,000
Mutual Funds Cost price	10,00,000	10,00,000
Repurchase Price	13,10,780	12,65,630

12. LONG TERM LOANS & ADVANCES

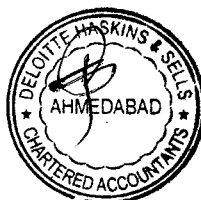
	As at 31st Mar 2014	As at 31st Mar 2013
Unsecured , Considered Good		
Capital Advance	1,01,05,900	91,75,000
Advance Income Tax (Net of Taxation Provision)	4,98,704	4,86,627
MAT Credit Entitlement	51,198	3,77,606
Electricity & Other Deposits	21,80,212	7,29,128
Total	1,28,36,014	1,07,68,361

13. INVENTORIES

	As at 31st Mar 2014	As at 31st Mar 2013
Raw Materials	98,81,947	92,39,431
Raw Materials In Transit	-	-
Finished Goods	28,42,574	14,60,159
Process Stock	33,23,652	6,87,747
Total	1,60,48,173	1,13,87,337

14. TRADE RECEIVABLES

	As at 31st Mar 2014	As at 31st Mar 2013
(a) Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
(i) Unsecured, considered good	11,62,480	6,98,900
(ii) Unsecured, considered doubtful	61,23,803	52,27,116
Less: Provision for doubtful debts	72,86,283	59,26,016
	61,23,803	52,27,116
	11,62,480	6,98,900
(b) Others		
Unsecured, considered good	8,43,09,387	9,05,80,676
Total	8,54,71,867	9,12,79,576



15. CASH AND CASH EQUIVALENTS

	As at 31st Mar 2014	As at 31st Mar 2013
Balances with Bank		
On Current Accounts	99,461	101,125
Deposits with Maturity less than three Months	-	-
Cash On Hand	53,229	7,741
Total	152,690	108,866

16. SHORT-TERM LOANS AND ADVANCES

	As at 31st Mar 2014	As at 31st Mar 2013
Loans and advances to Others		
Unsecured, considered good		
Advances to Suppliers	47,713	117,023
Prepaid Expenses	41,974	57,402
Employee Advances	224,753	71,603
Balances with government and other Authorities	344,374	222,677
Total	658,814	468,705

17. OTHER CURRENT ASSETS

	As at 31st Mar 2014	As at 31st Mar 2013
Dividend Receivable	180,000	-
Total	180,000	-

18. OTHER INCOME

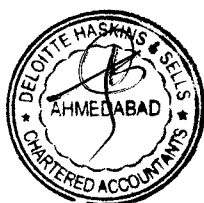
	For the Year Ended on 31st Mar 2014	For the Year Ended on 31st Mar 2013
Interest Received From Bank	-	-
Interest Received From Others	87,634	51,599
Dividend Income		
On Non trade investments - Investment in Mutual Funds & Others	196,250	15,000
Rent Income	36,000	36,000
Other Income	-	21,836
Total	319,884	124,435

19. COST OF MATERIALS CONSUMED

	For the Year Ended on 31st Mar 2014	For the Year Ended on 31st Mar 2013
Opening Stock	9,239,431	6,312,700
Add : Purchases (Net of Cenvat Credit)	110,015,156	99,350,197
	119,254,587	105,662,897
Less : Closing Stock	9,881,947	9,239,431
Total	109,372,640	96,423,466
a. Raw Materials consumed in broad heads:		
CRCA	73,422,969	69,758,918
PAINTS	20,715,967	18,312,653
Others	15,233,704	8,351,895
Total Cost of Materials Consumed	109,372,640	96,423,466

b. Value of Indigenous and Imported Raw Materials consumed during the year:

Imported	Value	-	-
	Percentage	0%	0%
Indigenous	Value	109,372,640	96,423,466
	Percentage	100%	100%



20. (INCREASE)/DECREASE IN STOCK OF FINISHED GOODS AND PROCESS STOCK

	For the Year Ended on 31st Mar 2014	For the Year Ended on 31st Mar 2013
(a) Closing Stocks		
Finished Goods	2,842,574	1,460,159
Process Stock	3,323,652	687,747
	<u>6,166,226</u>	<u>2,147,906</u>
(b) Less : Opening Stocks		
Finished Goods	1,460,159	2,158,650
Process Stock	687,747	3,219,032
	<u>2,147,906</u>	<u>5,377,682</u>
Total	<u>(4,018,320)</u>	<u>3,229,776</u>

21. EMPLOYEE BENEFITS EXPENSES

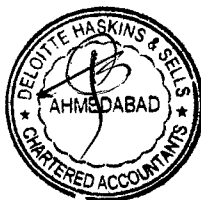
	For the Year Ended on 31st Mar 2014	For the Year Ended on 31st Mar 2013
Salaries, Bonus, Gratuity, etc.	6,767,174	5,887,790
Wages to workers	2,187,907	1,646,415
Contribution to Provident and other funds	511,655	472,012
Employee welfare expenses	9,000	-
Total	<u>9,475,736</u>	<u>8,006,217</u>

22. FINANCE COST

	For the Year Ended on 31st Mar 2014	For the Year Ended on 31st Mar 2013
Interest Expenses	4,592,775	4,788,341
Other Finance Cost	2,029,524	1,285,148
Total	<u>6,622,299</u>	<u>6,073,489</u>

23. OTHER EXPENSES

	For the Year Ended on 31st Mar 2014	For the Year Ended on 31st Mar 2013
Power & Fuel	5,429,999	4,870,305
Repairs		
Plant and Machinery	1,702,828	2,218,918
Factory Building	269,733	114,576
Testing & Other Manufacturing Cost	15,609,094	12,192,823
Cenvat Duty provided on stock	92,187	(13,035)
Freight & Forwarding Charges	1,230,956	1,045,180
Advertisement Expenses	10,000	10,000
Stationary, Printing, Postage and Telephone Expenses	174,525	132,686
Repairs Office & Other	26,136	30,767
Insurance	116,254	214,384
Rates and taxes	4,775	2,400
Bank charges	335,564	17,554
Travelling Expenses & Conveyance	513,790	423,275
Legal & Professional Charges	1,721,943	498,213
Audit Fees (Refer Note 1 below)	125,000	125,000
Late delivery charges	180,506	103,149
Sales Commission	-	-
Membership & Subscription Fees	31,000	75,000
Sales Tax Expenses	394,330	251,164
General charges	507,728	562,897
Provision for Doubtful Debts	896,687	-
Advances Written Off	117,502	-
Cenvat Duty Expense	30,226	8,351
Loss on Sale of Fixed Assets	-	185,697
After Sales/Replacement Exp	39,525	36,832
Total	<u>29,560,288</u>	<u>23,106,136</u>
Note:1		
Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	100,000	100,000
For tax audit	25,000	25,000
	<u>125,000</u>	<u>125,000</u>



Transpares Limited

Note :10 FIXED ASSETS

Sr No	Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
		As on 1.4.2013	Additions	Deductions	As on 31.03.2014	As on 1.4.2013	For the Period	Adjustments	As on 31.03.2014	As on 31.03.2014	As on 31.03.2013
1	Land	790,084	-	-	790,084	-	-	-	-	790,084	790,084
2	Building	31,217,835	2,255,531	-	33,473,366	4,237,390	1,024,557	-	5,261,947	28,211,419	26,980,445
3	Plant & Machinery	45,003,590	2,686,530	-	47,690,120	10,888,854	3,409,542	-	14,298,396	33,391,724	34,114,736
4	Electrifications	5,579,724	1,509,455	-	7,089,179	1,752,655	516,528	-	2,269,183	4,819,996	3,827,069
5	Furn & Fixt & Office Equip	2,003,841	402,132	-	2,405,973	790,834	123,414	-	914,248	1,491,725	1,213,007
6	Computer & Accessories	625,626	71,750	-	697,376	534,615	32,194	-	566,809	130,567	91,011
7	Vehicles	2,993,948	-	-	2,993,948	1,161,078	284,425	-	1,445,503	1,548,445	1,832,870
TOTAL		88,214,648	6,925,398	-	95,140,046	19,365,426	5,390,660	-	24,756,086	70,383,960	68,849,222
Previous Year		63,490,970	25,576,656	852,979	88,214,647	14,895,278	4,636,126	165,979	19,365,425	68,849,222	



SIGNIFICANT ACCOUNTING POLICIES

Note 1

1) Accounting Convention :

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable

2) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/ materialized.

3) Fixed Assets:

a) Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes and levies, freight and other incidental expenses related to acquisition and installation of the respective assets.

b) Certain computer software costs are capitalised and recognised as intangible assets in terms of Accounting Standard 26 on intangible assets based on materiality, accounting prudence and significant economic benefits expected to flow therefrom for a period longer than 1 year. Capitalised cost include direct cost of implementation and expenses directly attributable to the implementation.

c) The Company evaluates the impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the

4) Depreciation :

a) Depreciation on fixed assets is provided on Straight Line Method in accordance with Section 205 (2) (b) of the Companies Act, 1956 at the rate and in the manner prescribed in schedule XIV of the said Act.

b) Computer software costs capitalised are amortised using the Straight Line Method over estimated useful life of 3 to 5 years, as estimated at the time of capitalisation.

5) Investments :

a) Long Term investments are stated at cost and provision is made to recognise any diminution in value, other than that of temporary nature.

b) Current investments are carried at lower of cost and market value. Diminution in value is charged to the profit and loss account.

6) Inventories:

a) Raw materials, Process stock and Finished Goods are valued at lower of cost or net realisable value.

b) Cost for Raw materials is determined on Weighted Average/FIFO basis, net of cenvat credit availed.

c) Cost for Finished Goods and Process Stock is determined taking material cost [Net of cenvat credit availed] labour and relevant appropriate overheads and cenvat duty.

7) Revenue Recognition

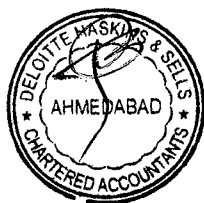
In appropriate circumstances, Revenue (income) is recognised when no significant uncertainty as to determination or realisation exists.

8) Sales/Service Income:

Sales of products are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on despatch of goods.

9) Cenvat credit:

Cenvat credit is accounted for on accrual basis on purchase of eligible inputs, capital goods and services.



- 10) **Prior Period Expenses/Income:**
Material items of prior period expenses/income are disclosed separately.
- 11) **Employees Benefits:**
a) Defined Contribution Plan
The Company's contributions paid / payable for the year to Provident Fund are recognised in the profit and loss accounts.

b) Defined Benefit Plan
The Company's liabilities towards gratuity, and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the profit and loss account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.
- 12) **Borrowing Cost**
Interest and other costs in connection with the borrowings of the funds to the extents related/attribution to the acquisition /construction of qualifying fixed assets are capitalised upto the date when such assets are ready for their intended use and other borrowing costs are charged to Profit And Loss Account.
- 13) **Miscellaneous Expenditure:**
a) Shares issue expenses incurred are amortised over a period of five years.
- 14) **Taxes on Income :**
Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with provision of Income Tax Act, 1961. Deferred tax resulting from "timing difference "between book and taxable profit is accounted for using the tax rates and laws that have been enacted or subsequently enacted as on the balance sheet date. The Deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.
- 15) **Leases**
Lease transaction entered into on or after April 1, 2001:
a) Assets acquired under lease where the company has substantially all risk and rewards incidental to ownership are classified as finance leases. Such assets are capitalised at the inception of lease at the lower of fair value or the present value of minimum lease payment and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability of each period.
b) Assets acquired on lease where a significant portion of risk and rewards incidental to ownership is retained by the lessor are classified as operating lease. Lease rental are charged to the profit and loss account on accrual basis..
- 16) **Earnings Per Share:**
The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.
- 17) **Provisions, Contingent Liabilities and Contingent Assets:**
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



NOTE 25: NOTES FORMING PART OF ACCOUNTS

1. Contingent liabilities in respect of:

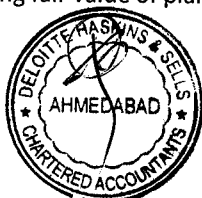
Particulars	As at 31st Mar 2014	As at 31st Mar 2013
Bills Discounted with Banks	NIL	NIL
Corporate Guarantees of Rs. 410 Lacs (Previous Year Rs. NIL) given by Company for loan taken by a Fellow Subsidiary Company	31175124	NIL

2. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for Rs. 23.69 Lacs [Previous year Rs. 33.69 Lacs].
3. Tax assessment of the company under Income Tax Act 1961, has been completed up to Financial Year 2008-09 and the sales tax assessment up to Financial Year 2008-09.

4. Employee Benefits

Defined Benefit Plans :

Particulars	Gratuity		Leave Encashment	
	2013-14	2012-13	2013-14	2012-13
i. Expenses recognized in Profit & Loss Account for the year				
Current service cost	105255	109821	23020	29580
Interest Cost	70459	63857	24374	20125
Expected return on plan assets	(59738)	(49734)	-	-
Adjustment		-	-	-
Net actuarial losses (gains)	(38837)	(44204)	(62005)	23961
Past service cost		-	-	-
Total Expenses	77139	79740	(14611)	73666
ii Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation				
Opening defined benefit obligation	880736	751262	308986	238205
Service cost	105255	109821	23020	29580
Interest cost	70459	63857	24374	20125
Actuarial losses (gains)	(91297)	(44204)	(62005)	23961
Past service cost	-	-	-	-
Losses (gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Benefits paid	-	-	(16154)	(2885)
Closing defined benefit obligation	965153	880736	278221	308986
iii Reconciliation of Opening and Closing balances of changes in fair Value of plan assets				
Opening fair value of plan assets	649834	510031	-	-



Adjustment	(60685)	(4931)		
Expected return on plan assets	59738	49734	-	-
Actuarial gains and (losses)	(52460)	-	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	88520	95000	-	-
Benefits paid	-	-	-	-
Closing balance of fair value of plan assets	684947	649834	-	-

iv Net Liability recognized in the Balance Sheet

Defined Benefit Obligation	965153	880736	278221	308986
Fair Value of plan assets	684947	649834	-	-
Present Value of unfunded obligation recognized as liability	280206	230902	278221	308986

v. Past year data for define benefit obligation and fair value of plan assets are as under:

	2012- 2013	2011- 2012	2010- 2011	2009- 2010
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Gratuity

Defined Benefit Obligation	880736	751262	423371	330563
Fair value of plan assets	649834	510031	421835	431011
Present Value of unfunded obligation recognized as liability	230902	241231	1536	(100448)

Leave Encashment

Defined Benefit Obligation	308986	238205	366922	279415
Fair value of plan assets	-	-	-	-
Present Value of unfunded obligation recognized as liability	308986	238205	366922	279415

Vi Actual Return On Plan Assets

	-	-	-	-
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vii Major categories of Plan Assets as a Percentage of total plan assets are as follows:

Policy of Insurance	100%	100%	100%	100%
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vii Actuarial Assumptions

As at 31st Mar 2014

Discount Rate	9.10 %
Expected rate of return on plan assets	9% Based on LIC Structure of interest rates on gratuity funds
Expected rate of salary increase	6 %
Mortality	Indian Assured Lives mortality (2006-08) Ult.
Withdrawal Rates	5% at younger ages reducing to 1% at older age
Retirement Age	58 Years
Actuarial Valuation Method	Projected Unit Credit Method



B) Defined Contribution Plans :

Rs. 443,864 (Previous Year Rs. 401,141) recognised as an expense and included in the Schedule 15 of Profit and Loss Account under the head "Contribution to Provident and other funds".

5. Earning Per Share:

Particulars		For the year	For the year
		ended on 31 st March 2014	ended on 31 st March 2013
Net Profit for the period (Rs.)	(a)	5880707	10099969
Weighted Average number of equity shares	(b)	1936800	1936800
EPS (Basic & Diluted)	(a) / (b)	3.04	5.21
Nominal value of Equity Shares		10	10

6. Components of Deferred Tax Liability are as under:

	As at 31st Mar 14	As at 31st Mar 13
(A) Deferred Tax Liability:		
Difference between book and tax depreciation	8124905	7954078
(B) Deferred Tax Assets		
Disallowance under Income Tax, 1961	2058359	1871105
Net Deferred Tax Liability (A)-(B)	6066546	6082973

7. Segment Reporting

The company is in the business of Pressed Steel Radiators. In the context of Accounting Standard 17, on Segment Reporting issued by Institute of Chartered Accountant of India, is considered to constitute one single primary segment.

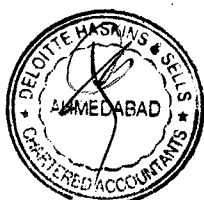
8. Related party transactions:

(a) Names of related parties and description of relationship:

1. Related party transactions :

(a) Names of related parties and description of relationship :

Sr. No.	Nature of Relationship	Name of Related Parties
1	Holding Company	Transformer & Rectifiers (India) Limited
2	Fellow Subsidiary Company	Transweld Mechanical Engineering Works Ltd
3	Key Management Personnel	Mr. Hitendra M. Doshi



(b) Details of transactions with related parties:

(Amount in Rs.)

Particulars	2013-2014	2012-2013
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(A) Volume of Transactions

1) Service Rendered

Holding Company

Transformers & Rectifiers (India) Limited	146440	115644
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1) Service Availed

Holding Company

Transformers & Rectifiers (India) Limited	1137645	-
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Fellow Subsidiary Company

Transweld Mechanical Engineering Works Limited	4590	-
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2) Purchase of Goods

Holding Company

Transformers & Rectifiers (India) Limited	186877	7079
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Fellow Subsidiary Company

Transweld Mechanical Engineering Works Limited	25484	5899
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3) Purchase of Capital Goods

Holding Company

Transformers & Rectifiers (India) Limited	-	1215173
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Fellow Subsidiary Company

Transweld Mechanical Engineering Works Limited	-	602249
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4) Sale of Goods

Holding Company

Transformers & Rectifiers (India) Limited	173841123	169447494
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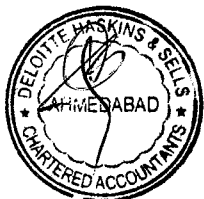
Fellow Subsidiary Company

Transweld Mechanical Engineering Works Limited	-	82769
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5) Managerial Remuneration

Key Management Personnel

Mr. Hitendra M. Doshi	2299805	2297000
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6) Dividend Paid

Holding Company

Transformers & Rectifiers (India) Limited - 987768

Key Management Personnel

Mr. Hitendra M. Doshi - 948132

(B) Balance at the end of the period

1) Due from

Holding Company

Transformers & Rectifiers (India) Limited 78840965 84889879

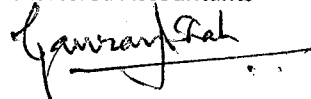
9. C.I.F. Value of Imports:

Particulars	(In Rupees)	
	For the year ended on 31 st March 2014	For the year ended on 31 st March 2013

Raw Materials

10. The Company is in process of compiling relevant information from its suppliers about their coverage under the "Micro, Small and Medium Enterprises Development Act, 2006". Since the relevant information from vendors is still not available, no disclosure have been made in the accounts. In the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.
11. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.


For Deloitte Haskins & Sells
Chartered Accountants



Gaurav J. Shah
Partner
Ahmedabad
Date: 22nd April, 2014



Hitendra M. Doshi
Director



Karunaben J. Mamtara
Director
Ahmedabad
Date: 22nd April, 2014